



# Massachusetts Department of Business and Technology

## Tools for Economic Development

By April Anderson



# New Approach to Economic Development:

## Highlights of the Romney Administration

- Focused on customer service
- Established a coordinated effort with the Business Resource Team
- Created new programs that leverage private sector investment
- Removed barriers to economic development through permitting reform

Results: The Commonwealth is currently experiencing job growth at a rate that is 2x faster than the rest of the nation.

# Business Resource Team (BRT)

- A one-stop shop for companies who wish to do business in Massachusetts, led/coordinated by the Massachusetts Office of Business Development
- There are 28 partners of the Business Resource Team
- Mission is to bring together all the resources available to companies looking to locate, relocate, expand, or grow in Massachusetts

# New Programs

Main Problem: Inadequate Infrastructure

Solution: New programs were created to assist municipalities with infrastructure and financing needs to support economic development:

- District Improvement Financing (DIF)
- MORE Jobs Fund
- I-Cubed
- Permitting Reform

# District Improvement Financing

- Public financing alternative available to all cities and towns in the Commonwealth
- Funds public works, infrastructure and development projects by allocating future, incremental tax revenues collected from a predefined district to pay project costs
- Municipal investment stimulates private investment which, in turn, increases the taxable value of property and generates the incremental taxes
- Forward public purpose while assisting private partners in accomplishing their goals
- Worcester, Medway and Quincy approved DIF Districts
- Worcester is approved for DIF Project

# Massachusetts Opportunity Relocation and Expansion (MORE) Jobs Capital Program

- Newly created \$100MM program in 2006
- Grants to finance public infrastructure associated with business expansion and relocation projects
- Infrastructure improvements on public land
  - water and sewer connections, roadway enhancements, and utility upgrades
- A municipality and a for-profit business entity must apply jointly
- The business must:
  - Generate substantial sales from outside the Commonwealth
  - Create at least 100 new permanent full-time jobs in Massachusetts
  - Maintain jobs for at least five years
- Guidelines and applications are online at [www.mass.gov/bizteam](http://www.mass.gov/bizteam)

# Infrastructure, Investment and Incentive

## “I-Cubed”

- New program passed in 2006 to stimulate job growth
- All projects are locally driven
- Once projected revenues are determined feasible, MassDevelopment issues bonds to fund infrastructure
- Qualifying infrastructure includes streets, sidewalks, street lighting, water and sewer, transportation facilities, parking, parks, etc
- The developer, municipality and state share debt obligation
- Once constructed, the developer turns infrastructure over to the community

# Permitting Reform

- Site-specific opt-in program
- Guarantees decisions on Priority Development Sites within 180 days
- Site eligibility requirements:
  - must be zoned for commercial, industrial or mixed-use development
  - eligible for the development or redevelopment of a building of at least 50,000 square feet of gross floor area
  - Must have permission from 100% of property owners
  - Must be approved by majority vote of Town Meeting or City Council
- Municipalities are strongly encouraged to consider sites that meet one more of the smart growth principles



# Permitting Reform Continued

- Municipal Process:

- 1 - Obtain local approval
- 2 - Apply to Board for designation and TA grant
- 3 - Receive a decision on both decisions within 60 days
- 4 - Decide whether or not to “opt-in” within 90 days
- 5 - Accept 43D
- 6 - 120 day to establish system
- 7 - Render all local decisions in 180 days or less

- Pertains to all local issuing authorities including:

- Planning Board
- Conservation Commission
- Zoning Board of Appeals
- Public Works
- Fire Chief
- Board of Health
- Historic Commission

# Permitting Reform Continued

- Does not include:
  - Building permits issued by the building inspector,
  - ANR plan approval and
  - subdivisions under the subdivision control law
- Municipal Benefits:
  - TA grants up to \$150,000 for such things as
    - professional staffing assistance,
    - local government reorganization, and
    - consulting services
  - Marketing of your site
  - Collection of special fees for PDS permit applications
- Program opens today
  - Applications, 400 CMR 2.00 and sample warrant language are online

# Conclusion

- A more streamlined and coordinated approach to business and economic development
- Creation of new programs that address infrastructure and financing needs
  - Programs that create a partnership between the business, municipality and the state to ensure long term success and viability.

# Contact information



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[www.mass.gov/bizteam](http://www.mass.gov/bizteam)